## **IN THE CLAIMS**

Please add new claims 22-24 as follows:

- 22. An image processing apparatus according to claim 1, wherein the positions of pixels in which the bits are placed is decided in accordance with a predetermined procedure irrespective of pixel data.
- 23. An image processing apparatus according to claim 1, wherein the positions of pixels in which the bits are placed is predetermined fixed positions irrespective of pixel data.
- 24. An image processing apparatus according to claim 1, wherein the positions of pixels in which the bits are placed is a predetermined position.